

US EXECUTIVE APPROVAL FORM

Hypertherm, Inc.

HQAPP Requests:

1. years 2-3 flat line, 4-5 years capped at 4%.

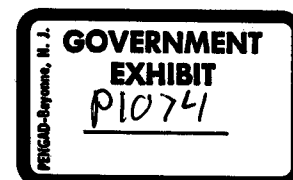
TIER 1 Requests:

1. We request a 35% price hold on 2002 Ebiz Suite, iStore, and Tutor for 24 months.

TIER 2/3 Requests:

1. We request a 35% (store + 15%) discount on the Ebiz migration.
2. We request a 35% (store +35%) discount on 20 Users of Tutor.

Deal Summary:



Deal Summary for Ebiz Migration	
Programs	140 Professional Users of Ebiz Suite, and 12,500 Electronic Orders of iStore
License Discount	35% (ebiz + 15%)
Support Discount	35 % (ebiz + 15%)
Support Options/Holds	5 year Support Hold - this is what we are requesting
Price Holds	2 year price hold – this is what we are requesting
List License	\$585,000 (list license before \$290,815 credit for original net fees paid)
List Support	\$128,700
Net License	\$102,266 (includes 10% Ebiz Upgrade fee of \$29,081, and after license credit)
Net Support	\$121,746 (includes 10% Ebiz Support Upgrade fee of 9,139)
Net Total Price	\$224,012
Price List Used	March 7, 2003

Deal Summary for Ebiz Migration	
Programs	20 Named Users of Tutor
License Discount	35% (Ebiz + 35%) –note: GSA does not apply because it is being sold as an add-on program linked to the 2002 Ebiz Suite. (see attached email)
Support Discount	35% (Ebiz +35%)
Support Options/Holds	5 year Support Hold - this is what we are requesting
Price Holds	2 year price hold – this is what we are requesting
List License	\$9,900
List Support	\$2,178
Net License	\$6,435
Net Support	\$1,415
Net Total Price	\$7,850
Price List Used	March 7, 2003

Justification:

- Hypertherm is interested in upgrading from 10.7 to 11i over the next 12 months.
- The combined costs of upgrading their software and migrating to the Ebiz Suite are more than Hypertherm has budgeted.
- They are getting an attractive offer from JD Edwards to migrate to OneWorld as opposed to migrating to 11i.

- JD Edwards has referencable clients in Hypertherm's industry and territory that have done the same thing.
- Hypertherm experienced a difficult 10.7 implementation and has therefore entertained the JD Edwards offer.
- Granting these approvals will keep Hypertherm as a Oracle client and avoid another regional migration from Oracle to JD Edwards.
- Hypertherm's CFO has explained that if we were to grant the additional discount, the net cost would become in the price range of the JD Edwards' offer.
- Hypertherm's CFO has requested that we grant flat Support so they know exactly how much to budget for Oracle applications.
- The CFO also requested the price hold so if they choose to add additional User's, they know exactly how much more it will cost for budget purposes. They cannot add those users today due to budget constraints. (5 year flat line requested and denied)
- Hypertherm has agreed to be a reference if we grant these approvals. We need additional 111 references in the machine industry in the New England region.
- Hypertherm has agreed to make this purchase in Oracle's FY '03 if we grant each of the requested approvals.
- Please consider these approvals for a total Hypertherm purchase of \$231,862.

Recommendation:

Approve for Q4 only. Otherwise EBS2003 pricing. Need to make sure upgrade fees are included w/o discount.

Submitted By: Manik Dhar, Koplow

R: 05/12/03

C: 05/12/03

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A: 05/12/03

BP: swong